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October 22, 2014

BY ECF

Hon. Valerie E. Caproni
United States District Judge
United States District Court
Southern District of New York
40 Foley Square, Room 240
New York, New York 10007

Re: *Securities and Exchange Commission v. Matthew Teeple, et al*
13 Civ. 2010 (VEC)

Dear Judge Caproni:

We represent defendant Matthew Teeple in the above-captioned matter. We recognize that Your Honor has already set a status conference in this matter for November 7. We nevertheless write to comply with your order of March 6, 2014 requiring the parties to notify the Court of the status of this case within two weeks of the conclusion of the related criminal proceedings, including *United States v. Matthew Teeple*, 13 Cr. 339. In response to that Order, we write to advise the Court that on October 16, 2014, the Honorable Robert P. Patterson sentenced Mr. Teeple to 60 months' imprisonment. Judge Patterson also imposed a \$100,000 fine and \$553,890 forfeiture obligation on Mr. Teeple. Judge Patterson further indicated that restitution would be imposed on Mr. Teeple, in an amount to be determined by the Court after further submissions from the parties.

With respect to the parallel civil proceedings before Your Honor, counsel for Mr. Teeple and counsel for the SEC have had several preliminary discussions to determine whether a settlement can be reached in this matter. The parties have not yet reached agreement on any possible settlement.

Sincerely,

Eric B. Bruce
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cc: Joseph G. Sansone, Esq. John F. Kaley, Esq.
 Daniel R. Marcus, Esq. Joshua D. Franklin, Esq.